

TRACT 38442 - St. Mary Parish, Louisiana

A portion of all lands located above the mean high water mark, together with lands now or formerly constituting the beds and bottoms of any water body of whatever description or nature belonging to the State of Louisiana which is now located within the boundaries of the Atchafalaya Delta Wildlife Management Area and not presently under mineral lease and cross hatched by the State of Louisiana on July 12, 2006, and more particularly located as follows: Beginning at a point on the Atchafalaya Delta Wildlife Management Area boundary, said point also being on the common boundary line between Block 16, Eugene Island Area, Revised, and Block 17, Eugene Island Area, Revised having Coordinates of X = 1,969,955.68 and Y = 250,124.15; thence North 2,069.80 feet along the common boundary line between said Block 16 and said Block 17 to a point on the Coastline derived from the June 16, 1975 Decree in the United States vs. Louisiana No. 9 Original, having Coordinates of X = 1,969,955.68 and Y = 252,193.95; thence North 200.05 feet along the common boundary line between said Block 16 and said Block 17 to the Northwest corner of said Block 16 said corner also being the Southwest corner of Block 15, Eugene Island Area, Revised, having Coordinates of X = 1,969,955.68 and Y = 252,394.00; thence East 5,000.00 feet along the common boundary line of said Block 15 and said Block 16 to a point having Coordinates of X = 1,974,955.68 and Y = 252,394.00; thence South 2,387.19 feet to a point on the said Coastline having Coordinates of X = 1,974,955.68 and Y = 250,006.81; thence South 1,628.74 feet to a point on the said Atchafalaya Delta Wildlife Management Area boundary having Coordinates of X = 1,974,955.68 and Y = 248,378.07; thence North 70 degrees 45 minutes 00 seconds West 5,296.11 feet along said Atchafalaya Delta Wildlife Management Area boundary to the Point of Beginning, containing **360.75 acres**, all as more particularly outlined on a plat on file in the Office of Mineral Resources, Department of Natural Resources. All bearings, distances and coordinates are based on Louisiana Coordinate System of 1927, (South Zone).

NOTE: The above description of the Tract nominated for lease has been provided and corrected, where required, exclusively by the nomination party. Any mineral lease selected from this Tract and awarded by the Louisiana State Mineral Board shall be without warranty of any kind, either express, implied, or statutory, including, but not limited to, the implied warranties of merchantability and fitness for a particular purpose. Should the mineral lease awarded by the Louisiana State Mineral Board be subsequently modified, cancelled or abrogated due to the existence of conflicting leases, operating agreements, private claims or other future obligations or conditions which may affect all or any portion of the leased Tract, it shall not relieve the Lessee of the obligation to pay any bonus due thereon to the Louisiana State Mineral Board, nor shall the Louisiana State Mineral Board be obligated to refund any consideration paid by the Lessor prior to such modification, cancellation, or abrogation, including, but not limited to, bonuses, rentals and royalties.

NOTE: The Office of Mineral Resources will require a minimum bonus of \$350 per acre and a minimum royalty of 25%.

NOTE: The above described tract may be in the vicinity of existing shell reefs where drilling and dredging operations must be conducted in strict conformity with the regulations adopted by the Louisiana Department of Wildlife and Fisheries and/or the U.S. Corps of Engineers, U.S. Army.

NOTE: The mineral lease is located within the Atchafalaya Delta WMA under the jurisdiction of the Louisiana Department of Wildlife and Fisheries which has promulgated rules and regulations for the protection of game and wildlife on the aforesaid Tract and, therefore, shall be subject to said rules and regulations, a copy of which shall be attached to the mineral lease. In addition to the specific rules and regulations applicable, the following shall apply regarding operations under this mineral lease:

1. No activities will be allowed without written authorization from the Louisiana Department of Wildlife and Fisheries.
2. Projects will be evaluated on a case by case basis. Modifications to projects may be required including, but not limited to, access routes, spoil placement, well sites, flow lines and other appurtenant structures.
3. Mitigation will be required to offset avoidable wetland impacts.
4. Removal of all structures, facilities and equipment will be required within 120 days of abandonment unless otherwise agreed to by the Louisiana Department of Wildlife and Fisheries.
5. No activities will be allowed during the hunting season unless approved by the Department.
6. Compliance with the said WMA regulations will be required unless otherwise specified by the Department.
7. Prior to submitting applications for wetland permits to Federal and State permitting agencies the lease holder shall coordinate project details with the Louisiana Department of Wildlife and Fisheries, Fur and Refuge Division. Contact person for the Department will be Mike Windham at (504) 568-5886.

NOTE: The State of Louisiana does hereby reserve, and this lease shall be subject to, the imprescriptible right of surface use in the nature of a servitude in favor of the Department of Natural Resources, including its Offices and Commissions, for the sole purpose of implementing, constructing, servicing and maintaining approved coastal zone management and/or restoration projects. Utilization of any and all rights derived under this lease by the mineral lessee, its agents, successors or assigns, shall not interfere with nor hinder the reasonable surface use by the Department of Natural Resources, its Offices or Commissions, as herein above reserved.

NOTE: It appears, according to our records, that a portion of this Tract is located within the restrictive safety fairway area as set out by the Corps of Engineers, U.S. Army and/or the restrictive anchorage area as set out by the U.S. Coast Guard.

NOTE: The Department of Wildlife and Fisheries has designated certain areas in the coastal waters of the State of Louisiana as Oyster Seed Bed Areas. The exact location of those Seed Bed Areas must be obtained from the Department of Wildlife and Fisheries and any work done under a mineral lease from the State of Louisiana may necessarily be conducted in conformity with the rules and regulations promulgated by the said Department of Wildlife and Fisheries for Oyster Seed Bed Areas.

Applicant: J. ORUM ENERGY GROUP

| Bidder | Cash Payment | Price/ Acre | Rental | Oil | Gas | Other |
|--------|-----------------|----------------|--------|-----|-----|-------|
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |

Legend

06070023

Wildlife

Blocks

Counties

0

1,000 Feet

N

The map displays a large area with purple diagonal hatching. A prominent red-outlined polygon is situated in the upper-left portion of the map. Several labels are present: 'ST MARY PARISH' is located to the left of the red polygon; 'Ei0015' and 'Ei0016' are within the purple hatched area; 'Ei0017' is below the red polygon; 'Ei0016' is to the right of the red polygon; 'ATCHAFALAYA DELTA WMA' is at the top; and 'EUGENE ISLAND AREA, REVISED' is on the right. A 'P.O.B.' label with a pointer is located near the bottom center. A north arrow and a scale bar (0 to 1,000 feet) are in the bottom-left corner.

Office of Mineral Resources, Acres: 360.75 Tract Number: 38442